



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
WASHINGTON, D.C. 20314-1000

REPLY TO
ATTENTION OF:

CEPR-ZA

24 March 2005

MEMORANDUM FOR ALL USACE COMMANDS (DIRECTORS/CHIEFS OF CONTRACTING)

SUBJECT: PARC Instruction Letter 2005-06, Implementation of MILCON Construction Strategy in Support of Army Transformation and Stationing Initiatives -- **Official Replacement for Original PIL, dated 18 March 2005**

1. Reference is made to Memorandum, Deputy Assistant Secretary of the Army (Installations and Housing) OASA (I&E), Mr. Joseph W. Whitaker, 1 November 2004 (copy enclosed).
2. In accordance with reference, the USACE Director of Military Programs has been instructed by Mr. Whitaker to develop a construction strategy in support of the Army Transformation and Stationing Initiatives. The strategy will employ the Army's standardization review and approval process to revise the standards and criteria for permanent facilities. The following areas are the drivers to support this initiative:
 - a. Base Realignment and Closure (BRAC) 2005.
 - b. Re-stationing or the reassignment of troops from one post to another after BRAC 2005 as well as bringing home troops from Korea, Germany, Iraq, and Afghanistan. Stationing is the assignment of troops to a particular post.
 - c. Transforming the Army into Units of Action; this is the Army's name for uniquely structured combat brigades that are to replace the service's historical emphasis on huge, heavy divisions.
3. In order to support this initiative, USACE must:
 - a. Change the way MILCON projects are procured by considering all available procurement vehicles to capitalize on economies of scale, standardization, and industrialization. This includes creating standardized solicitation packages that contain standard criteria for the design and construction of the required facilities, as well as standard terms and conditions, evaluation criteria, and submittal requirements. It will also capitalize on the use of innovative acquisition approaches to minimize the acquisition timeline and construction durations. USACE is aware of the need to support socioeconomic programs within this overall effort and will ensure that small Business is incorporated into our planning as we continue to support IMA and DA. As we develop our specific plans to support modularity, we are also identifying portions of these larger programs that can be set aside for small business projects.

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b. Initially, maximize the use of design-build procurement vehicles and fast-track construction, reducing the number of submittals required and Government reviews/approvals. Once standardized designs have been created for the facilities, USACE must move to a new type of procurement utilizing those designs, saving the Government money since there is no longer a need to continue designing the same type of facilities.

4. To comply with Mr. Whitaker's direction and to help standardize the processes across USACE, three tiger teams have been established. HNC has been designated as the Acquisition Team lead for this initial planning effort. The tiger teams and their team leaders are listed below:

- a. Acquisition and Execution Team – Led by J.R. Richardson (CEHNC-CT)
- b. Standards and Criteria Team – Led by Jeff Hooghouse (CECW-CER/LRD)
- c. Planning and Programming Team – Led by Mark Fleming (CEHNC-IS-SP)
- d. HQUSACE MILCON Transformation Program Manager -- Howard Moy (CEMP-IS).

5. The individual MILCON districts will be involved in every phase of the acquisition process. This includes supporting the evaluation of proposals in both phases of the design-build acquisition process as well as awarding and administering the contract(s) or task order(s), and executing the project(s). You or your staff will be asked to participate in this national team as projects within your districts are identified or during the development of the standardized solicitation packages. This will ensure that past lessons learned on these types of procurements are incorporated into the standardized solicitations for this MILCON design-build work.

6. USACE is under a very compressed timeline in order to make this MILCON program a success. Initial awards are scheduled for December 2005. It requires you and your staff's support and cooperation. This is an extremely huge initiative for USACE which is expected to be in the range of \$25-\$30B just for the Army MILCON projects. This is USACE's primary mission, and has been the same mission that USACE has held for more than 200 years now – support the troops by providing quality, responsive engineering services to the nation including designing and managing the construction of military facilities for the Army and Air Force. This is a great opportunity to help the Army support its transformation and stationing initiatives and may provide USACE an opportunity to support the Army National Guard and the Air Force as it transforms as well. Thus success of this program is critical to ensuring USACE's role as a vital part of the Army.

7. I am highly recommending that all MILCON District Directors/Chiefs of Contracting as well as their Military Division Chiefs attend one of the five Industry Forums as well as discuss this initiative with me or Mr. J.R. Richardson. Members from the other tiger teams will be there to

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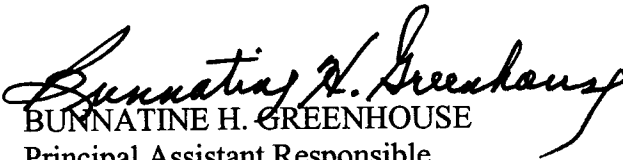
provide additional information as to what USACE is doing to move forward on this initiative. In addition to attending the Forum, we will get together to discuss this initiative further and to answer your questions/address your concerns either in a breakout room after the Forum, or over dinner the night of the Forum. It should be noted that the Army has not yet released the actual installations that will be affected by this initiative, thus it is important that you attend to ensure that you are aware of the direction that USACE is moving in should your division/district be affected. The following locations and dates were decided upon by Mr. Whitaker, please choose the closest one to your office or the date that you are able to attend:

- a. April 6, 2005 – Washington DC
- b. April 12, 2005 – Atlanta, GA
- c. April 14, 2005 – Dallas, TX
- d. April 19, 2005 – Kansas City, MO
- e. April 21, 2005 – Seattle, WA

8. Please feel free to contact either the undersigned or Mr. J. R. Richardson for additional information on this initiative. By working together, we will exceed every expectation that the Army has and in turn continue to show the world that USACE is the leader in and the agency to turn to for their engineering and construction needs.

FOR THE COMMANDER:

Encl


BUNNATINE H. GREENHOUSE
Principal Assistant Responsible
for Contracting

DISTRIBUTION:

MILITARY CONSTRUCTION DIVISIONS:

COMMANDER, U.S. ARMY ENGINEER DIVISION, NORTH ATLANTIC (CENAD-DE)

COMMANDER, U.S. ARMY ENGINEER DIVISION, SOUTH ATLANTIC (CESAD-DE)

COMMANDER, U.S. ARMY ENGINEER DIVISION, GREAT LAKES AND OHIO RIVER (CELRD-DE)

COMMANDER, U.S. ARMY ENGINEER DIVISION, SOUTHWESTERN (CESWD-DE)

COMMANDER, U.S. ARMY ENGINEER DIVISION, NORTHWESTERN (CENWD-DE)

COMMANDER, U.S. ARMY ENGINEER DIVISION, SOUTH PACIFIC (CESPD-DE)

COMMANDER, U.S. ARMY ENGINEER DIVISION, PACIFIC OCEAN (CEPOD-DE)

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CF:

MILITARY CONSTRUCTION DISTRICTS:

COMMANDER, U.S. ARMY ENGINEER DISTRICT, ALASKA (CEPOA-DE)
COMMANDER, U.S. ARMY ENGINEER DISTRICT, HONOLULU (CEPOH-DE)
COMMANDER, U.S. ARMY ENGINEER DISTRICT, OMAHA (CENWO-DE)
COMMANDER, U.S. ARMY ENGINEER DISTRICT, SEATTLE (CENWS-DE)
COMMANDER, U.S. ARMY ENGINEER DISTRICT, KANSAS CITY (CENWK-DE)
COMMANDER, U.S. ARMY ENGINEER DISTRICT, LOUISVILLE (CELRL-DE)
COMMANDER, U.S. ARMY ENGINEER DISTRICT, LITTLE ROCK (CESWL-DE)
COMMANDER, U.S. ARMY ENGINEER DISTRICT, TULSA (CESWT-DE)
COMMANDER, U.S. ARMY ENGINEER DISTRICT, SAVANNAH (CESAS-DE)
COMMANDER, U.S. ARMY ENGINEER DISTRICT, MOBILE (CESAM-DE)
COMMANDER, U.S. ARMY ENGINEER DISTRICT, BALTIMORE (CENAB-DE)
COMMANDER, U.S. ARMY ENGINEER DISTRICT, SACRAMENTO (CESPK-DE)
COMMANDER, U.S. ARMY ENGINEER DISTRICT, ALBUQUERQUE (CESPA-DE)
COMMANDER, U.S. ARMY ENGINEER DISTRICT, LOS ANGELES (CESPL-DE)



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
INSTALLATIONS AND ENVIRONMENT
110 ARMY PENTAGON
WASHINGTON DC 20310-0110

01 NOV 2004

MEMORANDUM FOR ASSISTANT CHIEF OF STAFF FOR INSTALLATION MANAGEMENT
DIRECTOR OF MILITARY PROGRAMS, HQUSACE

SUBJECT: Construction Strategy in Support of Army Stationing Initiatives

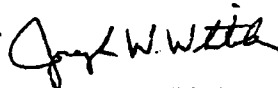
The purpose of this memorandum is to request your strategy and implementation plan to support the major permanent restationing initiatives that the Army will execute. The overall objective is to provide the ability to establish, reuse/re-purpose facilities with the minimum lead-time; leverage private industry standards and practices; and reduce acquisition/life cycle costs. Your initial plan should be provided by January 2005. Target implementation is the FY 07 Military Construction Program; however, opportunities for use on FY 06 MLCON Budget Projects should be aggressively explored.

Your plan should consider the following:

- **Facility Categories.** Address only the Army's permanent facilities.
 - Focus on those facilities that represent the bulk of the Army's needs - where our Soldiers live and work [barracks, operations buildings (company, battalion, & brigade level), tactical equipment shops, general instruction buildings, and dining facilities].
 - For other support facilities, such as physical fitness centers, develop a tactic to meet *basic* functional requirements.
- **Standards and Criteria.** Employ the Army's standardization review and approval process to revise standards and criteria for permanent facilities. Complete this action by January 2005. Incorporate the following concepts.
 - Provide specific guidance for each facility category.
 - Incorporate industrialized, pre-manufactured, modular, panelized, and other innovative commercial practices to the maximum extent possible.
 - Target 25 years as the useful life of structures with recapitalization planned after that period.
 - Incorporate best life-cycle Operations and Maintenance cost considerations.
 - Incorporate ability for reuse and re-purpose with the minimum lead-time.
 - Maintain compliance with energy efficiency, sustainable design/development, and antiterrorism force protection standards.
 - Allow flexibility to accommodate local architectural themes.

- **Planning and Programming.** Streamline planning and programming activities.
 - Ensure that master plans and environmental documentation are current and can accommodate restationing and procurement timelines.
 - Plan and program unit restationing as an entity/project rather than programming individual facilities, *i.e.*, multiple facility types on a single DD Form 1391. The concept is to request total authorization and incremental funding. (So as to not incur adverse impact on restationing schedules, critical and non-critical facilities must be segregated into separate DD Forms 1391.)
 - Develop template DD Forms 1391 for various sized stationing initiatives that capture all critical requirements in a single programming document. (These DD Forms 1391 can then be quickly modified to accommodate local conditions once stationing decisions are finalized.)
- **Procurement.** Adopt innovative procurement methodologies.
 - Consider all available procurement vehicles to capitalize on economies of scale standardization, and industrialization.
 - Maximize the use of design-build procurement vehicles and fast-track construction.
 - Leverage standardization to limit time for preparation of requests for proposal, advertisement, and award of procurement with a goal of four months.
 - For the targeted facility categories cited above, establish radically reduced construction durations to provide for earlier beneficial occupancy

Request that you establish monthly in-process reviews on execution of this initiative starting in December 2004. My point of contact is Mr. Pete Tamin, (703) 695-5705.



Joseph W. Whitaker
Deputy Assistant Secretary of the Army
(Installations and Housing)
OASA (I&E)